Hello,

My name is Neal Gompa, and I'm a T-Mobile USA customer. I saw AT&T's March 20th announcement of their intent to acquire T-Mobile USA from Deutsche Telekom AG. Along with many other T-Mobile customers, I feel that allowing this deal would be terrible for the American wireless market. Below, I've detailed several reasons why this deal should not be allowed.

- The acquisition will make AT&T a monopoly on GSM-based services in the United States. If Verizon were to acquire Sprint, it wouldn't be as much of an issue because there are many CDMA network operators across the nation. However, there are very few GSM network operators in the United States. Off the top of my head, there are only two GSM regional network operators (Cincinnati Bell and i-wireless) out of at least forty regional network operators. And of course, there are only two super-regional and national GSM network operators (AT&T and T-Mobile). The rest (Verizon Wireless, MetroPCS, Cricket, Sprint, US Cellular, etc.) all use CDMA.

- The service quality of AT&T is well known to be abysmal, and T-Mobile's service quality will most assuredly fall after acquisition, which has happened with previous AT&T acquisitions (ex. Centennial Wireless, Dobson/CellONE, Alltel assets, etc.)

- T-Mobile's customer service is one of the best in the industry, while AT&T is the worst. After acquisition, AT&T will be taking over customer service, causing the loss of thousands upon thousands of jobs and forcing T-Mobile customers to experience AT&T's subpar customer service.

- AT&T is well known for being very customer unfriendly. They do not unlock iPhones, and they only consider unlocking feature phones after 10 months, and only on a case-by-case basis. Smartphones are handled the same as feature phones, but seem to require at least 13 months, unless it is an exclusive offering. If the smartphone is exclusive and not an iPhone, they will unlock after 20 months on a case-by-case basis. T-Mobile has a standard policy of unlocking devices purchased for their full retail price immediately on request, and unlocking devices purchased on contract after 40 days from contract start, and 90 days in between unlocking requests on contracted devices. AT&T will definitely destroy the customer-friendly practice that T-Mobile has done for many years.

- Because the acquisition will leave AT&T as the sole super-regional/national network operator using the GSM family of technologies, AT&T will be free to raise prices. With T-Mobile as a separate competitor, AT&T is forced to keep their plans affordable in order to compete with another national network operator that offers the same kind of services and several value added services that AT&T offers.

- T-Mobile experimented with new technologies considerably. They brought forth UMA (Wi-Fi Calling), they were the premier network operator working with Google to launch the Android platform. They were the only network operator to truly embrace openness. They are the only network operator that puts out their ideas for the Android platform as open source code, helping the greater Android ecosystem with the implementation of new ideas. In contrast, AT&T does not embrace technologies like UMA, because they provide free signal boosting. They chose to offer femtocells instead, which require the subscriber to give more money to AT&T in order to get the expected service level. AT&T is the only network operator that locks down their Android devices, preventing users from installing their own apps from outside the Android Market (commonly known as sideloading). They have announced that they plan on removing the restriction, but it is unknown if they will follow through with their promise.

- The only wireless company of the big four national network operators that really is facing a spectrum crunch is T-Mobile USA, because they only have PCS and AWS licenses across the nation. If the deal is blocked, then AT&T must give up their AWS licenses to T-Mobile, effectively giving them enough spectrum to launch their own LTE network when they are ready by combining it with their PCS spectrum. With the start up cash of $3 billion (as part of the terms for if the deal is blocked), they'll have a good amount of cash infusion to begin upgrading their network in earnest. The other national network operators aren't in any sort of spectrum crunch, despite what their representatives may tell the FCC.

    - Sprint-Nextel owns the 800MHz spectrum they use for iDEN (which will be freed up completely by 2013 and possibly used for LTE), the PCS spectrum they use for CDMA and EVDO, and they have the 2.6GHz spectrum for WiMAX through Clearwire. Clearwire is considering migrating their WiMAX services to LTE, as well. Sprint-Nextel is in a very comfortable position, spectrum wise.

    - Verizon Wireless owns licenses to Cellular spectrum, AWS spectrum, PCS spectrum, and 700MHz spectrum. Given their plans to move to LTE, they can probably decommission their CDMA network that uses Cellular and PCS by 2015 and reuse that spectrum. Failing that, they can use their unused AWS spectrum to beef up their 4G LTE network.

    - AT&T has Cellular spectrum, AWS spectrum, PCS spectrum, and 700MHz spectrum. Even taking their AWS licenses out of the equation, AT&T is in a very comfortable position regarding spectrum, because their Cellular and PCS licenses cover a large enough bandwidth that they could repurpose their legacy network spectrum for LTE when needed. The fact that AT&T's Cellular and PCS spectrum holdings are wide enough that they can support two sets of networks (GSM+GPRS+EDGE and UMTS+HSPA) means that they can easily afford to decommission one and migrate that spectrum to beef up any weaknesses they have in their 700MHz LTE network.

        - For many years, AT&T had AWS spectrum that they refused to use to boost their network capacity. They didn't use it because they didn't want to offer devices that were potentially compatible with the only other national GSM operator, T-Mobile USA. If they were really in a spectrum crunch, as they call it, they would have ignored that and deployed services on AWS anyway. Since few other network operators in the United States offer 3G GSM services on PCS and Cellular, there was no “competitive risk” to offer 3G GSM on it. However, they don't want to offer 4G LTE services on Cellular and PCS bands because there are operators deploying LTE on Cellular and PCS. For example, MetroPCS primarily uses PCS for their 4G LTE network, supplementing it with 4G LTE running on the AWS band. Because of their tiny spectrum assets, they will be decommissioning their CDMA network after complete buildout of LTE on all of their markets.

        - All but seven of the nearly 150 devices available for sale on AT&T's website are listed as fully compatible with their 3G network. There is no reason AT&T could not decommission their 2G GSM network and use that same spectrum for 4G LTE, since 4G LTE has several flexible deployment options that allow for multiple spectrum bandwidths.

- Many European wireless network operators are able to successfully offer high quality wireless services with far less spectrum than their American counterparts, so why can't AT&T do the same? Several European and even Asian cellular networks have higher quality voice and data services than American cellular networks, using less spectrum than their American counterparts. American cellular network subscriptions are also the most expensive in the world, which is absolutely absurd.

- By blocking this deal, T-Mobile USA would be given an excellent position to partner up with the many regional networks across the nation to help build out and enhance existing LTE networks. Most regional network operators across the nation use the Cellular and PCS bands for CDMA and EVDO Rev A. If the acquisition is blocked, then T-Mobile USA comes out of it $3 billion richer and with AT&T's AWS spectrum, which AT&T doesn't use at all. Since T-Mobile USA already plans to decommission their network that runs on PCS as soon as their HSPA+ network has complete overlap over the GSM PCS network, T-Mobile USA can partner with regional network operators and build out a nationwide LTE network using PCS and AWS. This will lead to an overall more competitive market, since carrier network sharing means that devices can be moved from network to network easily, forcing network operators to lower their prices in order to compete with each other more effectively. This is a huge win for American consumers overall. This plan is better than Verizon's 4G LTE for Rural America plan because each regional network operator actually owns the spectrum and the towers they are building out, so they aren't at the complete mercy of a single large company.

- By doing this, we will see more LTE-based network operators cropping up all over America, giving real competition in the market because unlike the current situation with Verizon, AT&T, and regional network operator 700MHz spectrum, these LTE networks operating on PCS and AWS will all be compatible with each other, meaning that once an LTE device is unlocked, it will be able to work on any LTE network operator using that network. This will lead to America having a thriving wireless market with conditions similar to wireless markets in Europe, where devices can be purchased separately from the network operator and consumers can move from network operator to network operator, depending on their needs, without having to get new devices every time. This is a situation that must become a reality in America.
  - It happened in Canada when Bell and Telus decided to migrate to HSPA+ in preparation for LTE, which made their network compatible with Rogers Wireless. That means that consumers in Canada can buy devices unlocked (or buy a device from a network operator and unlock it) and use them with any network operator they want, because they all use the same technology and frequency bands.
- Also, blocking this deal will continue to allow for more GSM based handsets to come to America. If the acquisition goes through, the resulting company will almost certainly carry less than half of the variety of handsets that the two separate companies already offer. That variety must be preserved and fostered!

In conclusion, I wish to implore that the FCC would block AT&T's acquisition of T-Mobile USA. T-Mobile USA existing as a separate entity is key to keeping AT&T as honest and fair as possible and making the necessary conditions for building out a truly nationwide LTE network possible. It preserves customer choice and will allow the American wireless market to finally evolve to the next stage of wireless evolution.

In the event the FCC determines that they will allow AT&T's acquisition of T-Mobile USA, I would request that the following conditions be placed on AT&T and all other wireless network operators in the United States:

- All wireless network operators in the United States must have open access networks. Meaning that a consumer can bring his/her own compatible device from anywhere and use it on their network, provided that the device has been approved by the FCC for use in the United States.
- All wireless network operators must allow consumers to request full network unlocks for devices purchased as part of a contract. The network unlock must be automatically performed upon expiration of terms of a contract, if technically possible. If not technically possible, the consumer must be informed that a network unlock is possible, what it is, and how to perform the unlock operation themselves, if necessary. If consumers need a network unlock prior to contract expiration, the network operator must provide a way to do so, and can decide on either a case-by-case basis, or with some sort of offer to the customer on accomplishing a network unlock. Exclusivity contracts for devices should not block consumers' ability to unlock devices for use on other networks.
  - Orange in France will unlock an iPhone after 6 months into the contract for free upon request, and automatically after contract expiration.
  - TeliaSonera in Sweden will unlock an iPhone after 12 months into a contract for a fee, and for free after contract expiration
  - T-Mobile USA unlocks upon request any and all cell phones after 40 days if the phone was purchased on contract, with 90 days between requests after the first one. All cell phones purchased at full retail price will be unlocked on request immediately, with a proof of purchase being the only requirement.
  - So why can't AT&T offer an iPhone unlock after 13 to 20 months into a contract like they do for other phones? Why can't they immediately unlock an iPhone that has been purchased at *full retail price*? Why can't they immediately unlock *any* phone that has been purchased at *full retail price*, for that matter?
- Wireless network operators that offer contracted plans with a built-in phone subsidy must offer equivalent non-contracted postpaid and/or prepaid plans that do not include the phone subsidy, and as such, must be cheaper by a significant degree than the contracted plans.

    - For example, T-Mobile USA's Even More plans are the contracted plans that include a phone subsidy, while their Even More Plus plans are their equivalent non-contracted postpaid offering. The Even More Plus plans are cheaper by a significant degree due to the lack of a phone subsidy. And T-Mobile USA also offers equivalent prepaid options for those who do not fulfill the requirements for postpaid service.

- The T-Mobile brand is well known for great corporate and customer values. AT&T should be forced to allow T-Mobile to operate as an independently managed subsidiary of AT&T, just like AT&T Alascom is. It should also maintain its own branding and operations. Even with subscriber losses, T-Mobile USA is still running a very profitable operation.

    - This way, AT&T gets what it wants the most from T-Mobile USA: the spectrum. The consumers get what they want: the same great T-Mobile USA offerings and service that they've had since the company was founded a decade ago. And if T-Mobile USA is operating independently of AT&T, they should also be able to continue to offer their own selection of devices going forward. Since AT&T will continue to own the branding of T-Mobile USA after the closing of the deal, this should not be a problem.

    - In the United Kingdom, T-Mobile UK and Orange UK are managed the same way. A holding company called “Everything Everywhere” was created to manage the brands and operations of the two network operators. The holding company is jointly owned by Deutsche Telekom and France Télécom in equal shares.

- At the very least, 4G LTE devices stocked for Verizon Wireless and AT&T should support band frequencies for both 4G LTE networks. That would mean that both Verizon Wireless and AT&T 4G LTE devices should include support for LTE band classes 4, 13, and 17 at least. The FCC may choose to also include LTE band class 12 in this requirement in order to make it compatible with a majority of smaller network operators.

- AT&T should be legally bound to provide 4G LTE coverage at the level that they estimated on their MobilizeEverything.com website. Extract a legally-binding promise that AT&T will build out 4G LTE to completely cover their existing footprint, the footprint of the roaming areas, and into rural areas where there is no footprint at all.

- Because of the nature of 4G LTE (voice is transmitted over the network as data), AT&T should be forced to immediately begin the process of setting up roaming deals with the various network operators across the nation that either plan to, or already do, offer 4G LTE service. While the FCC has already mandated data roaming last month, AT&T and Verizon have yet to actually follow through with the new mandate.

- Force all wireless network operators to work on lowering the international roaming rates to make them significantly closer to the per-minute, per-message, and per-gigabyte rates for domestic usage. The current rates are hundreds of times more expensive than the domestic rates, making it difficult to afford roaming internationally.

- Extract a legally binding promise that AT&T will pass on the “synergies” and “efficiencies” to consumers in the form of lower voice, data, and message rates. In theory, the cost savings could be passed on consumers in the form of lower rates. The rates could even be lower than what several European and Asian countries charge for mobile device plans. Almost certainly, the rates should drop to below present levels that T-Mobile USA sells at, and below several other regional providers as well.

- In the past, the FCC has taken the position that they should not mandate what technologies should be used for cellular networks. With the hugely consolidated market in the cellular telecommunications industry, the fragmentation and incompatibility among cellular networks run by various network operators keeps the prices for devices high, the availability of popular devices to smaller network operators low, and incredible leverage against the smaller carriers by the large national ones. The FCC should mandate or recommend obsoleting CDMA2000 based networks in favor of HSPA+ and/or LTE, which have built-in specifications for allowing device portability. This industry does not want to be interoperable, and relies heavily on technical limitations to prevent consumers from having the freedom to use their preferred device on any network they choose. The FCC must take a stand for the consumers and demand device portability and freedom. Going forward, the FCC should mandate or recommend that future network technologies adopted by cellular network operators must maintain device portability.

- Given that a majority of carriers in the United States use and own spectrum on the Cellular (850MHz) and PCS (1900MHz) bands, it should not be difficult to make it possible for interoperable devices on HSPA+, LTE, or whatever new technology comes forward that maintains device portability like the current GSM, HSPA+, and LTE standards do.

If this deal is allowed, the FCC, the Department of Justice, and Congress will need to be ready to impose very heavy regulations to make sure that the wireless industry does not become a practical duopoly. The government will need to step in to ensure that prices to consumers continue to drop. However, it would be infinitely preferable to block this deal and allow natural market forces to ensure the innovation that the American wireless industry is well-known for.

The current balance of two national network operators that use the GSM family of technologies and two national network operators that use the CDMA2000 family of technologies act as effective checks for the industry, ensuring that prices either remain constant or drop. If AT&T acquires T-Mobile USA, the government is telling Verizon Wireless that it is possible for them to successfully acquire Sprint, which makes a national duopoly on wireless services. We need to make sure that it doesn't happen! So, please don't allow AT&T's acquisition of T-Mobile USA!